



EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE
GOVERNOR

December 16, 2003

The Honorable Calvin K. Y. Say, Speaker
and Members of the House of Representatives
Twenty-Second State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear Mr. Speaker and Members of the House:

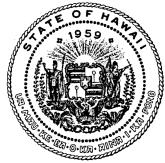
For your information and consideration, I am transmitting herewith two (2) copies of the Department of Budget and Finance's report on the accounts or funds that were administratively established effective July 1, 2003 in accordance with Act 178, Session Laws of Hawaii 2002. Pursuant to Act 231, SLH 2001, I am also informing you that the report may be viewed electronically at www.hawaii.gov/budget/LegReports/reportslist.

Sincerely,

/s/

LINDA LINGLE

Enclosures



EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE
GOVERNOR

December 16, 2003

The Honorable Robert Bunda, President
and Members of the Senate
Twenty-Second State Legislature
State Capitol, Room 003
Honolulu, Hawaii 96813

Dear Mr. President and Members of the Senate:

For your information and consideration, I am transmitting herewith two (2) copies of the Department of Budget and Finance's report on the accounts or funds that were administratively established effective July 1, 2003 in accordance with Act 178, Session Laws of Hawaii 2002. Pursuant to Act 231, SLH 2001, I am also informing you that the report may be viewed electronically at www.hawaii.gov/budget/LegReports/reportslist.

Sincerely,

/s/

LINDA LINGLE

Enclosures

**DEPARTMENT OF BUDGET AND FINANCE
LIST OF ADMINISTRATIVELY ESTABLISHED NEW ACCOUNT OR FUND
PER ACT 178, SLH 2002**

Appn Symbol				Appropriation Title	Justification	Revenue Source
F	Yr	App	D			
				Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Clearing Account	Act 200, SLH 2003, (Appropriation Bill) includes a trust fund authorization of \$3,439,250 in FY 2004 and \$2,889,000 in FY 2005 to cover the administrative costs of the EUTF. Section 87A-30, HRS, establishes the EUTF outside of the State Treasury and Section 87A-31, HRS, requires approval by the governor and the legislature of expenditures for administrative costs and were therefore, included as part of the Executive Budget. Establishment of a trust fund authorization for expenditure of non-administrative costs such as the cost of health benefit premium payments to the insurance carriers and Medicare Part B reimbursements to eligible retirees and spouses are not required under Chapter 87A, HRS. The EUTF is utilizing the State's accounting system (FAMIS) to process payment in FY 2004 on a interim basis. The trust account is required to process non-administrative expenditures of the EUTF.	Employer and employee health and life benefit contributions.
T	04	904	0	Hawaii Public Employees Health Fund (PEHF) Clearing Account	Pursuant to Act 88, SLH 2001, the Hawaii Public Employees Health Fund (PEHF) sunset on June 30, 2003 and was replaced by the Hawaii Employer-Union Health Benefits Trust Fund (EUTF). As part of a normal close down, receipt and disbursement of some funds after June 30, 2003 was anticipated including return of refunds and/or gains from carriers that will be owed to the employers and the EUTF on behalf of employees; reimbursements to carriers, employee organizations, employers and/or employees for overpayments or under-collections based on retroactive enrollment transactions; and other unforeseen events. The trust account is to be used to process these final closeout transactions since no FY 04 trust fund appropriation for the PEHF was authorized.	Transfer of FY 2003 excess cash balance; carrier refunds and/or gains.
T	04	906	0			